

28 SEP 1949

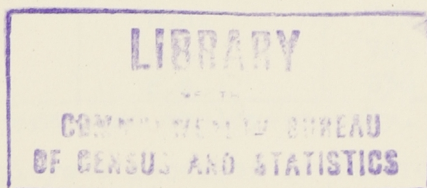
15th September, 1949

B.S.E. 1949, '7

NEW SOUTH WALESDIGEST OF CURRENT STATISTICSC o n t e n t s

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PART 1 - EMPLOYMENT AND NON-RURAL INDUSTRIES

GENERAL:

With the termination of the coal strike on 15th August power supplies were restored, to rationed pre-strike level, all industries resumed work and unemployment abated quickly. The number of persons in receipt of unemployment benefits in New South Wales reached a peak of 101,000 at the end of July and began to fall when some power supplies were restored after troops commenced to work open-cut mines; it stood at 86,000 in the week ended 20th August and was down to 2000 by mid-September. This figure does not measure unemployment caused by the coal strike, because a means test (based on income and other conditions) limits eligibility for unemployment benefits; also, a number of disengaged persons did not apply because they were doing odd jobs or for other reasons, nor do the employment statistics show the extent of strike-caused unemployment (see Note to table below).

The drastic restrictions on the use of gas and electricity caused a heavy fall in output of some, but not all, secondary industries in July. Large production losses occurred in iron and steel, some building material industries (bricks, asbestos cement sheets etc.) and in the manufacture of motors and electric and gas appliances.

However, for a wide range of metal, clothing and other items production was maintained at 66% to 100% of pre-strike level. Essential food industries on the whole were not greatly affected. Taking account of seasonal fluctuations there was no significant interruption in the processing of butter, cheese, ice cream and other milk products or in the preserved vegetables, malt and bacon industries. Output of flour and by-products in July was approx. 20% below June, but production of jam, margarine, biscuits and beer fell off steeply during the month.

Some other developments during the strike period as shown in greater detail in subsequent paragraphs are: the heavy fall in railway and tram traffic causing considerable loss in State revenue; comparative stability of motor vehicles registrations, a fall in retail turnovers; no evident effect on savings activity and real estate turnovers and a slight fall in stock exchange prices which was quickly recovered in August. Apart from movements which can be connected with the coal strike, the notes on national income and on prices in this issue of the Digest reveal important trends, that is the continued growth in 1948-49 of Australia's national income and its dependence on foreign trade and in recent months a halt or down-turn in prices which had risen rapidly in post-war years. This is indicated by small falls in the import and export price indexes and in the textile series of the wholesale price index, so far without effect on the retail price index. It remains to be seen how the devaluation of sterling currencies in terms of dollar (as from 19th September) will affect these trends.

EMPLOYMENT - New South Wales.

Employment in New South Wales (other than rural and female domestics) fell in June by 22,000 and in July by 89,000 to 880,000. However, the number stood down because of the coal strike was probably greater as many named on pay-rolls for the last pay period (and recorded as employed) were unemployed at or before the end of the month.

EMPLOYMENT IN NEW SOUTH WALES (excl: Employers & Workers on own account) in thousands

M o n t h	WAGE AND SALARY EARNERS IN EMPLOYMENT					Men from
	Rural	Domestics	All other Wage Earners			N.S.W. in
	Males (a)	Females (b)	Males	Females	Total	Armed Forces
1939 - July	41	52	530	168	698	6
1945 - July	23	19	541	247	788	224
1947 - July	26	n.a.	677	253	930	21
1948 - July	31	n.a.	702	263	965	14
1949 - May	32	n.a.	721	270	991	13
- June		n.a.	705	264	969	13
- July		n.a.	636	244	880	13

(a) Ascertained in March; permanent employees only. (b) Employed in private households

Note: The number of employees recorded on Pay-roll Tax returns relate to those whose names appeared on the last pay roll of the month irrespective of whether they were actually working at the end of the month.

The principal fall in the number of employees on pay rolls in June and July occurred in factories (54,000) and mines (16,000), but building, trade, commerce and service groups were also affected.

COAL PRODUCTION - New South Wales

In the first half of 1949 coal production in New South Wales averaged 236,000 tons a week (for 22 weeks ended 18th June); that was a little above the 1948 average of 225,000 tons a week but did not meet all essential demands. Production was affected by floods in the fourth week of June and by the seven weeks' strike from 27th June to 14th August, 1949. During the last two weeks of that period troops produced 100,000 tons from open-cuts; also, some small underground mines produced a total of 8,000 tons during the strike. This output of 108,000 tons, plus stocks totalling about 246,000 tons (at 18th June) comprised all the coal available during the seven weeks. Coal consumption, in the four weeks preceding the strike, averaged about 240,000 tons a week - 193,000 in New South Wales (98,000 tons for public utilities, 78,000 tons for industry, 11,000 tons for ships bunkers and 6,000 tons for other consumers) and 48,000 tons sent to other States. Practically no coal was made available for industry during the strike and all other users were drastically restricted.

Since the miners resumed production has been well above average pre-strike levels. It was 252,000 tons in the first week (ended 20th August), 277,000 tons in the second week, 295,000 tons in the third week and 290,000 tons in the fourth week. Open cuts, some which are now being worked in multiple shifts, contributed 33,000 tons or 13% of total output in the fourth week, compared with 12% in the first half of the year.

PRODUCTION OF COAL - New South Wales - in thousand tons

	36 weeks to 13/9/47	35 weeks to 11/9/48	34 weeks to 10/9/49	WEEKLY AVERAGE to date shown			
				Year 1948	22 weeks 18/6/49	2 weeks 13/8/49	4 weeks 10/9/49
Underground	7,385	7,163	5,786	201	208	2	252
Open-cut	651	874	860	24	28	51	26
Total	8,036	8,037	6,646	225	236	53	278

INDUSTRIAL DISPUTES - New South Wales

The general strike on the coalfields affected about 14,600 coal-mining employees (excluding safety-men, deputies, etc. who remained on duty) for 35 working days, including 21 days in July, making a loss of 307,000 man-working days for that month. In other industries the main disputes in July were at the Clyde Engineering Works (1,000 men idle since March who resumed in August) and two one-day stoppages on the Sydney waterfront. The figures given below refer to man-working days lost in industries where disputes occur; they do not measure time lost in other industries through disputes originating elsewhere and thus do not show the effect of the coal strike on total employment.

INDUSTRIAL DISPUTES - New South WalesThousand Man-Days Lost

	Yearly Average		Year				Monthly Average or Month				
	1937-39	1940-44	1945	1946	1947	1948	Mar., Apr.	April	May	June	July
Coal Mining	466	473	630	299	388	471	29	24	8	38	307
Other Employment	178	338	1,249	617	739	304	26	50	28	30	33
Total	644	811	1,879	916	1,127	775	55	74	36	118	340

GAS & ELECTRICITY - New South Wales & Sydney

Drastic consumer rationing of light, heat and power because of the coal strike reduced gas production in New South Wales by 40% from 1,730 mill. cub. ft. in May to 1,036 mill. cub. ft. in July and electricity generation by 46% from 336 mill. kWh. to 180 mill. kWh. Production of energy in July was the lowest since the strike period of December, 1945 when it fell to 878 mill. cub. ft. and 147 mill. kWh. respectively. The index of consumption for Sydney (seasonally adjusted) fell from an average of 79% above pre-war in 1948-49 to 4% below pre-war in July, 1949.

GAS AND ELECTRICITY - Year and Month

N.S.W. Production	Year ended June				1948 July	1949		
	1939	1947	1948	1949		May	June	July
Gas mill. cub. ft.	10,896	16,744	18,093	18,161	1,539	1,730	1,418	1,036
Electricity mill. kWh.	1,948	3,229	3,546	3,718	341	336	295	180
Gas & El'y Consumption, Sydney								
Index - 1937-39 = 100(a)	104	161	174	179	163	190	133	96

(a) Seasonally adjusted

The drastic power cuts introduced at the end of June were relaxed as from 19th August. Industry in the County of Cumberland remains subject to restrictions in force before the strike, that is a consumption maximum equivalent to 70% of power used in the base period of June-August, 1948 with some additional restrictions on the

use of power in peak hours. Commercial and domestic use is also subject to certain restrictions designed to reduce the load in peak hours. Full gas supplies for Sydney were restored as from 20th August.

BUILDING MATERIALS - New South Wales

The rapid post-war expansion in the output of sawn timber, bricks and asbestos cement sheets slowed down in 1948-49. Brick production rose from 303 mill. in 1947-48 to 311 mill. in 1948-49 which is still well below the 1938-39 output of 379 mill. Production of sawn timber from native logs rose from 333 mill. sup. ft. to 348 mill. sup. ft., that is nearly double the pre-war figure. Output of asbestos cement sheets, 8.57 mill. sq.yards was 5% below 1947-48. Considerable increases were recorded for terracotta tiles which reached 23.57 mill. (21.59 mill. in 1947-48), cement tiles 5.64 mill. (2.84 mill.), fibrous plaster sheets 4.99 mill. sq.yards (3.99 mill. sq.yards) and cement 484,000 tons (441,000 tons).

Although supply of these basic materials in 1948-49 was well above pre-war levels (excepting bricks) it remained insufficient for the present high demand for new building. In some cases demand has also been increased by their replacing other materials, e.g. native timber for imported timber, tiles for galvanised iron and asbestos cement for bricks and timber.

PRODUCTION OF BUILDING MATERIALS - New South Wales

Year ended June	Sawn Timber (Native)	Bricks	Tiles		Asbestos Cement Building Sheets	Fibrous Plaster Sheets	Cement
			Terra Cotta	Cement			
	million sup.ft.	millions	thousands	thousands	thousand sq.yd.	thousand sq.yd.	thousand tons
1939	179.4	379.2	20,129	n.a.	5,291	2,671	432.5
1946	252.1	144.6	12,230	n.a.	7,806	1,632	321.0
1947	300.9	249.5	19,523	230	9,657	3,397	393.4
1948	332.6	303.2	21,594	2,841	9,018	3,985	441.0
1949 =	347.7	311.4	23,569	5,642	8,566	4,993	484.5

= Subject to revision

NEW SOUTH WALES RAILWAYS

Railway traffic in July, 1949 was greatly reduced on account of the coal strike. Compared with July, 1948 the number of passenger journeys fell from 20.5 mill. to 15.8 mill. (23%) and goods carried from 1.49 mill. tons to 270,000 tons (82%). Gross earnings were reduced from £2.98 mill. to £1.27 mill. but working expenses were only £145,000 less, leaving a loss on working account of £1.25 mill. for July, 1949, compared with a surplus of £310,000 in July, 1948 and of £3.92 mill. for the year ended June, 1949.

NEW SOUTH WALES GOVERNMENT RAILWAYS

Year	Month of July					Year ended June	
	Passenger Journeys	Goods (excl. Livestock)	Gross Earnings	Working Expenses	Net (a) Earnings	Passenger Journeys	Goods (excl. Livestock)
	Millions	mill. tons	£'000	£'000	£'000	Millions	mill. tons
1939	15.3	1.33	1,555	1,183	372	186.7	14.68
1947	21.3	1.55	2,452	2,334	118	261.6	16.54
1948	20.5	1.49	2,981	2,671	310	263.0	17.41
1949	15.8	0.27	1,271	2,526	-1,255	263.1	16.90

(a) Excess of gross earnings over working expenses; excluding Government contribution of £800,000 for developmental lines.

MOTOR VEHICLES REGISTRATIONS

Motor vehicles registrations in July were not appreciably affected by the coal strike. 1,911 new cars were registered, compared with an average of 2,122 for 1948-49 and registrations of lorries (1,077) were above the 1948-49 average. The number of vehicles on the register reached a new peak at the end of July with 234,352 cars, 6,644 public passenger vehicles and 145,694 lorries, etc., representing increases over June, 1939 of 10%, 38% and 87% respectively.

REGISTRATION OF MOTOR VEHICLES - New South Wales

P e r i o d	New Vehicles Registered		Civilian Vehicles on Register			
	Cars	Lorries (a)	Cars	Public Pass. Vehicles(b)	Lorries(a)	Total of Foregoing(c)
Year ended June	Monthly Averages		As at end of Period			
Av.1937-1939	1,847	775	213,331	4,807	77,761	295,899
Av.1942-1945	50	192	182,972	4,853	84,703	272,528
1948	1,388	802	210,506	6,262	130,811	347,579
1949	2,122	1,040	232,837	6,635	144,793	384,265
July - 1949	1,911	1,077	234,352	6,644	145,694	386,690

(a) Includes utilities, vans and road tractors. (b) Includes buses, taxis, hire cars and tourist cars. (c) Excludes motor cycles, trailers and trader's plates.

PART II: FINANCE AND TRADE

TRADING BANKS - Australia

Trading bank deposits in Australia fell from the peak of £831 mill. in April, 1949 to £817 mill. in June and £795 mill. in July, while advances to customers rose from £373 mill. and £383 mill. to £395 mill. during the period. This reflects the usual mid-year demand for funds, perhaps accentuated this year by the coal crisis. The demand on trading bank funds was met by a release from Special Accounts (£40 mill. in July), by a reduction of Treasury bill holdings and by borrowings from the Commonwealth Bank (shown in "Balances due to Other Banks").

NINE TRADING BANKS - Business within Australia

Month (Weekly Averages)	Deposits at	Balances	Advances	Public	Special	Treas	Cash	Ratios to	
	credit of customers	due to Other Banks	to Customers	Secur- ities	A/c with C'wth Bank	-ury Bills		Items	Deposits
								Advan	Spec-
	\$million	\$million	\$million	\$mill.	\$million	\$mill.	\$mill.	-ces	ial A/c
1939 - July	317	1	294	22	-	20	31	93	-
1946 - July	613	1	236	117	256	21	32	39	42
1947 - July	633	3	303	78	253	11	36	48	41
1948 - June	717	27	349	59	293	19	46	49	41
- July	699	34	362	60	285	12	41	52	41
1949 - April	831(a)	34	373(a)	63	379	19	44	45	46
- June	817(a)	50	383(a)	62	381	11	40	47	47
- July	795(a)	46	395(a)	69	341	11	42	50	43

(a) Following a technical adjustment in bank returns, deposits and advances were reduced by \$9 million as from January, 1949.

SAVINGS BANK DEPOSITS - New South Wales

Savings activity in New South Wales in July was not noticeably affected by the coal strike. New savings deposits lodged in July 1949, £15.87 mill., were the highest for any month since July, 1946 and withdrawals, £14.29 mill., did not exceed the average of previous months. The net increase in deposits in July, £1.58 mill., was the highest since September, 1947. Total deposits at the end of July were £246.07 mill. or £8.80 mill. higher than in July, 1948 and nearly three times above pre-war. The number of savings accounts open at the end of July, 2.08 million, was also a record.

SAVINGS BANK DEPOSITS (\$ million)

Period	New South Wales				Total Deposits at end of Period	
	Deposits Lodged	Withdrawals made	Net Increase or Decrease $\left(\begin{smallmatrix} + \\ - \end{smallmatrix} \right)$	Interest added	N.S.W.	Australia
1938/39 July-June	66.6	67.2	- 0.6	1.6	87.5	245.6
1945/46 July-June	191.3	156.8	+ 34.5	3.6	236.3	663.6
1946/47 July-June	159.2	167.9	- 8.7	3.8	231.4	660.0
1947/48 July-June	161.0	159.2	+ 1.8	3.8	237.0	681.3
1948/49 July-June	171.8	168.2	+ 3.6	3.9	244.5	714.2
1948 July	14.4	14.1	+ 0.3	-	237.3	682.6
1949 July	15.9	14.3	+ 1.6	-	246.1	719.3

RETAIL TRADE (Large Sydney Stores)

The rising trend in retail sales levelled off in June quarter, 1949. The increase over June quarter, 1948 was 6% (2.4% in month of June) compared with 17% in March quarter and 16% for the year 1948 over 1947. It is likely that sales in June, 1949 were partly affected by lighting restrictions and the reactions of the coal strike in the last week of the month. Stock values also increased more slowly with 8% in June, 1949 and January-June, 1949 over 1948 compared with an increase of 21% for the year 1948 over 1947. Preliminary figures issued for July show that sales in 1949 were about 16% below 1948 because of the strike.

RETAIL TRADE - LARGE SYDNEY STORES

Percentage Increase on same period of previous year

Three months moving Average ended month shown		VALUE OF SALES			Month	VALUE OF STOCKS		
		1947	1948	1949		1947	1948	1949
		%	%	%		%	%	%
January		22	17	16	January	39	24	11
February		22	19	15	February	39	24	8
March		15	20	17	March	38	30	7
April		14	24	12	April	39	29	6
May		13	22	12	May	41	26	6
June		19	19	6	June	35	27	8

Principal increases in sales values in June, 1949 over 1948 were in men's wear (11%), general hardware (12%) and food and perishables (13%) while sales values of piece goods and furniture were considerably below 1948. For the six months ended June large increases were recorded for men's wear (21%) and electrical goods (29%) but the sale of the latter fell off considerably in the month of June. Stock values at the end of June, 1949 were higher in all sections excepting fancy drapery, girls' and children's wear, furniture and books.

LARGE SIDNEY STORES = Percentage Changes 1949 over Same Period of 1948

	Month of June		Six Months ended June		Month of June		Six Months ended June
	Sales	Stock	Sales		Sales	Stock	Sales
	%	%	%		%	%	%
Piece Goods	- 12	-12	+ 13	Furniture	- 7	- 8	+ 7
Women's Wear	+ 5	+ 2	+ 11	Hardware	+ 6	+ 16	+ 12
Men's Wear	+ 11	+32	+ 21	Food & Perishables	+ 13	+ 4	+ 8
Boots & Shoes	+ 6	+21	+ 10	Miscellaneous	+ 7	- 1	+ 11
				(incl: food)			
Total Clothing & Piece Goods	+ 3	+13	n.a.	All Classes:	+ 2	+ 3	+ 11
				Total			

CASH ORDER BUSINESS - New South Wales

Cash order trade expanded moderately in 1948/49. The value of orders issued rose by 10% from £2.71 mill. in 1947-48 to £2.98 mill. in 1948-49, compared with a rise of 22% in the previous year but the increase in June quarter 1949 over 1948 was only 4%. The number of orders issued in 1948/49, 298,000, was 5% more than in 1947/48. The value of orders issued in 1948/49 was a little greater than in 1939 but allowing for the rise in prices and retail turnovers the volume was much below pre-war. A Government Report in 1941 showed that cash orders are used mainly by people in the lower income groups for the purchase of clothing and household goods; apparently the high levels of employment and wages are restraining the demand for this type of loan.

CASH ORDERS ISSUED - New South Wales

Year	Quarter Ended				Year	
	September	December	March	June	Value	Number
	£'000	£'000	£'000	£'000	£'000	'000
1939 (a)	n.a.	n.a.	n.a.	n.a.	2,867	n.a.
1946-47	453	734	337	693	2,217	285
1947-48	585	915	338	825	2,713	282
1948-49	651	1,033	439	861	2,934	298
Increase						
1948-49 on 1947-48	11%	12%	13%	4%	10%	5%

(a) Commonwealth Report on Cash Orders, 1941

SIDNEY STOCK EXCHANGE

The stock market began to recover in July from the downward trend of earlier months. For the first three weeks of August the demand for shares was sustained and turnovers became heavy at rising prices. Trading became quieter towards the end of the month. The index for 34 active shares rose from 244.2 in July to 255.0 in August, the highest since May, 1949. All main groups of shares participated; shares in industrial companies gaining 3% over the month, in retail companies 5% and in pastoral finance companies 6%.

INDEX OF SHARES PRICES - Sydney. (Compiled by N.S.W. Govt. Statistician)

Prices of Ordinary Shares (excl: Banks) - Par Value = 100

Month	Manufact'g & Distributing	Retail	Public Utilities	Pastoral Finance	Insurance	Total 75 Companies	34 Active Shares
1939 - August	212.6	168.2	156.0	118.2	263.9	174.4	181.9
1942 - March	173.0	138.3	120.8	110.3	213.7	140.6	147.0
1946 - December	292.4	251.6	197.3	160.7	322.5	229.7	247.2
1948 - January	361.4	315.5	184.7	191.7	407.8	271.5	283.7
1949 - June	326.9	274.4	153.1	171.7	462.3	242.4	246.4
- July	323.6	271.4	153.5	173.5	456.1	239.7	244.2
- August	332.2	286.3	155.9	184.0	464.9	247.8	255.0

NOTE: Regulations restricting trading and price movements in company shares imposed in February, 1942, with subsequent amendments, were rescinded in January, 1947.

LIFE ASSURANCE - New Business, New South Wales

The growth of life assurance business is now less rapid than in the early post-war period. In New South Wales new policies issued in the ordinary branch declined from 96,800 in 1947-48 to 93,700 in 1948-49. The numbers in the industrial branch

were 112,400 and 119,500 respectively. The value of new policies issued in 1948-49 (£59.22 mill.) was above 1947-48 (£56.75 mill.) but in the June quarter of 1949 (£15.11 mill.) it was only about equal to the same quarter of 1948. The main expansion in assurances in recent years occurred in the ordinary branch which also administers group schemes. New industrial policies in 1948-49 represented 19% of the total value of new policies as against 20% in 1947-48 and 29% in 1939. Compared with 1939 the total sum of new assurances in 1948-49 more than doubled and the average value per new policy rose in the ordinary branch from £360 to £514 and in the industrial branch from £48 to £98.

LIFE ASSURANCE - NEW POLICIES ISSUED IN NEW SOUTH WALES

Period	Ordinary Department		Industrial Department		Total Sum Assured New Policies
	No. of Policies	Sum Assured	No. of Policies	Sum Assured	
	thousands	£ millions	thousands	£ millions	£ millions
Year ended Dec. - 1939	50.5	18.18	156.8	7.54	25.72
1946	81.7	38.08	128.3	9.80	47.88
1947	96.7	43.59	115.9	10.48	54.07
Year ended June - 1948	96.8	45.54	119.5	11.21	56.75
1949	93.7	48.17	112.4	11.05	59.22
June Quarter - 1948	25.7	12.27	29.3	2.81	15.08
1949	23.1	12.18	29.7	2.93	15.11

NEW SOUTH WALES GOVERNMENT ACCOUNTS

Loss of revenue and extra expenditure caused by the coal strike are reflected in a deficiency of £386,000 in the State accounts for July, 1949 compared with surpluses of £1.07 mill. and £1.19 mill. in the same month of 1948 and 1947. Comparing July, 1948 and 1949 railway revenue fell from £2.76 mill. to £1.87 mill. and tram and bus revenue from £613,000 to £600,000 (despite higher fares) while expenditure on these two accounts rose by a total of £222,000. Departmental expenditure increased from £1.88 mill. to £2.46 mill. State tax revenue was also slightly lower, but Commonwealth tax reimbursements rose by £280,000 and £100,000 loss was applied to the debt service. The Commonwealth tax reimbursement grant to New South Wales for the year 1949-50 has been fixed at £25.46 mill. (£22.02 mill. in 1948-49). A grant of £3.26 mill. is to be made to meet losses caused by the coal strike.

NEW SOUTH WALES ACCOUNTS (£ thousands)

Revenue Item	Month of July			Expenditure Item	Month of July		
	1947	1948	1949		1947	1948	1949
From Commonwealth (1)	1,436	1,580	1,861	Net Debt Charges	619	957	857
State Taxation	1,039	1,208	1,114	Other ex Debt Charges -			
Other Governmental	599	676	657	Governmental	1,406	1,877	2,463
Railways	2,367	2,763	1,871	Railways	2,392	2,430	2,566
Tram & Bus Services	632	613	600	Tram & Bus Services	533	540	676
Sydney Harbour	114	127	139	Sydney Harbour	45	44	66
TOTAL REVENUE	6,187	6,967	6,242	TOTAL EXPENDITURE	4,995	5,898	6,628

(1) Reimbursement of taxes, payments towards interest and hospital benefits.

Works expenditure from loan funds totalled £2 mill. in July, 1949 as against £870,000 in 1948. The loan programme approved recently by the Loan Council provides for £13 mill. for State Government works in New South Wales for 1949-50 and for £15.3 mill. for works undertaken by semi-government and local authorities in this State. This programme is subject to review later in the year.

REAL ESTATE AND MORTGAGES - New South Wales

The number of real estate transfers and conveyances registered in August, 1949 - 8,528 - was the highest for some years, and their registered value of £6.71 mill. although a little lower than in July was well above August, 1948 (£5.14 mill.) and the 1948-49 average. The value of new mortgages registered in August, 1949 (£4.59 mill.) was high in proportion to registered value of sales (68%). During the early post-war period mortgages remained comparatively low but they have tended to increase since 1948.

REGISTERED REAL ESTATE TRANSACTIONS - New South Wales

		Year ended June				1948		1949	
		1939	1947	1948	1949	August	June	July	August
SALES	Number	50,295	87,532	79,694	86,201	7,280	7,852	8,255	8,528
	£.mill.	35.27	57.90	60.20	62.23	5.14	6.09	7.02	6.71
MORTGAGES	£.mill.	25.07	25.05	30.92	32.52	2.31	3.78	3.82	4.59

All land sales control regulations in New South Wales were lifted as from 31st August, 1949.

NATIONAL INCOME, EXPENDITURE & INVESTMENT - Australia.

Australia's national income rose by 12% from £1,753 mill. in 1947-48 to 1,955 mill. in 1948-49, with increases of 17% in wage and salary income (about one quarter due to increased employment and the balance due to higher earnings), 10% in company incomes and 8% in the income of other business, farms, professions etc. Surplus of public business undertakings has declined (from £37 mill. in 1945-46 to £5 mill. in 1948-49) and income from rent and interest (£115 mill.) has become smaller in proportion to the other components. National income in 1948-49 was nearly $2\frac{1}{2}$ times greater than in 1938-39 but part of this rise is due to higher prices. The rising value of exports of goods and services (£429 m. in 1947-48 and £563 m. in 1948-49) which greatly exceeded corresponding imports (£381 m. and £481 m.) has been one of the chief factors in the recent growth of national income. Exports in 1948-49 absorbed 25% of the gross national product and imports made up 18% of the total supply on the Australian market, compared with 16% and 8% respectively in 1938-39. Expenditure by public authorities increased by £98 mill. (to £338 mill.) over the year (£115 m. in 1938-39) due mainly to greater spending on works and defence and rising costs of administration.

Personal expenditure on consumption rose by 15% to £1418 mill. over the year. Direct taxes took the same proportion of incomes (11% in 1947-48 and 1948-49 as against 5% in 1938-39) and personal savings, incl. assurance accumulation, rose from £199 mill. (12% of outlay) to £267 mill. (14%); this excludes amounts accruing to farmers and still held by marketing authorities, £77 mill. in 1947-48 and minus £4 mill. in 1948-49. If this type of savings accumulations is included, total savings fell by £13 mill. over the year.

A fall in gross private investment from £460 mill. to £400 mill. over the year is ascribed to lower stocks of farm products. On balance public authorities repaid debt (£24 mill.) in 1947-48 and borrowed £8 mill. in 1948-49, which is still well below the usual public debt increments of recent years. Investment was on balance wholly financed from home sources (savings, undistributed profits, depreciation etc.). The public debt outstanding overseas was reduced by £15 mill. during the year, making a total reduction of £75 mill. during the past four years. It is estimated that the inflow of private capital from overseas nearly doubled from £79 mill. in 1947-48 to £153 mill. (balancing item incl. undistributed profits, accumulated J.O. profits etc.), but Australia's international reserves increased by £179 mill. so that the international indebtedness fell by £41 mill. over the year.

NATIONAL INCOME, EXPENDITURE AND INVESTMENT - Australia

	Year ended June				
	1939	1946	1947	1948	1949
	£mill.	£mill.	£mill.	£mill.	£mill.
<u>NATIONAL INCOME & PRODUCT</u>					
Wages, Salaries, military pay etc.	444	788	776	904	1055
Company Income	84	131	155	180	200
Other Business, Farm, Prof. Income	161	245	300	540	580
Surplus of Government Business	32	37	25	18	5
Net Rent and Interest	93	98	102	111	115
National Income	814	1299	1358	1753	1955
Indirect Taxes, less subsidies	90	132	176	174	221
Depreciation Allowances etc.	45	60	64	71	80
Gross National Product	949	1491	1598	1998	2256
<u>NATIONAL EXPENDITURE</u>					
Market expenditure in Australia	931	1403	1605	1950	2174
Export Receipts (Goods & Services)	154	179	293	429	563
Import Payments (Goods & Services)	-136	-91	-300	-381	-481
Gross National Expenditure	949	1491	1598	1998	2256
<u>PERSONAL OUTLAY</u>					
Consumption Expenditure	667 (89%)	846 (66%)	1008 (77%)	1234 (77%)	1418 (75%)
Direct Taxes funds	33 (5%)	171 (3%)	167 (13%)	178 (11%)	215 (11%)
Personal Savings, incl. assurance/	48 (6%)	271 (21%)	126 (10%)	199 (12%)	267 (14%)
Total	748 100%	1288 100%	1301 100%	1611 100%	1900 100%
Savings through market' authorit's	-	21	13	77	-4
Total Personal Outlay	748	1309	1314	1688	1896
<u>INVESTMENT - SOURCES</u>					
Overseas Public Authority	2	-45	-6	-9	-15
Private	-2	7	37	79	153
Decrease in internat. res.	25	-11	15	-76	-179
Internal: Personal Savings, incl. Ass.	48	271	126	199	267
Other	94	144	165	243	182
Total Investment	167	366	337	436	408
<u>INVESTMENT - FORM</u>					
Gross private Investment	140	205	325	460	400
Net Increase in public debt	27	161	12	-24	8
Total Investment	167	366	337	436	408

PRICES IN AUSTRALIA:

The post-war upward trend in Australian and overseas prices has shown signs of halting. The Australian export price indexes fell in recent months; import and wholesales price indices have remained stationary, but without affecting the trend in the retail price index. It remains to be seen how the devaluation of the Australian and British currencies in terms of dollars will affect these trends.

The retail price index, "C" series-Sydney, rose by 8% between June quarter 1947 and 1948 and by a further 8% to 57% above pre-war (3 years ended June, 1939) in June quarter, 1949. Of the component series food and groceries rose by 12%, clothing by 13% and miscellaneous by 6%; the rent index remained unchanged over the year. The food index in June 1949 was 53% and the clothing index 140% above pre-war. The basic wage (adult males, Sydney) rose from £4.1.0 in August, 1939 and about £5 in 1943-46 to £6 in August, 1948 (incl. special increase of 7/- granted in December, 1946) and £6.10.0 in August, 1949.

The wholesale price index for Australia rose by 13% between June quarters 1948 and 1949 to 86% above pre-war. The textile price index advanced from 300 in April 1948 to 372 in February 1949 (due to withdrawal of subsidies) but by June had fallen back to 320. Other wholesale series also declined or showed only small rises in recent months. Prices of "goods principally imported" rose from 96% above pre-war in June, 1948 to 102% in February, 1949 and were back at 99% in June, 1949. Prices for "goods principally home-produced" lagged behind the trend in import prices during the war and early post-war years, rose more rapidly in 1948, but have been steady since February, 1949.

WHOLESALE PRICE INDEX = Australia, Basis 1936-37 to 1938-39 = 100

Month	Textiles	Metals & Coal	Building Materials	Foodstuffs & Tobacco	ALL (a) GROUPS	Goods Principally Imported	Home Produced
1948 April	300	151	192	159	164	195	151
1949 Feb'y	372	194	199	180	186	202	179
June	320	197	202	180	186	199	180

(a) incl. oils, fats and waxes and rubber and hides

The export price index (incl. gold) reached a peak of 359 (159% above pre-war) in March 1949 but receded to 316 in June quarter, about the same as a year earlier. Average export prices for wheat fell considerably and for wool, metals and hides also were a little lower in recent months. A large section of export prices is fixed through bulk marketing agreements with the United Kingdom and thus not subject to sudden change. The import price index (Commonwealth Bank) rose from 278 in June quarter, 1948 to 284 in March quarter, 1949 and was back at 282 in June quarter (preliminary figures for 1949). The series for raw materials, vehicles and oils fell slightly in recent months and other series advanced only moderately. The small downward tendency in the export and import price indices during 1948-49 contrasts with the violent post-war adjustments of world market prices in 1945-47 which lifted the export price index by 138% and the import price index by 37% and incidentally restored Australia's terms of trade to somewhere near the pre-war level.

PRICE INDEXES - AUSTRALIA - Basis 1936-37 to 1938-39 = 100

Quarter	Retail Prices (a)	Wholesale Prices (b)	Export Prices incl. gold (b)	Import Prices (c)
June 1943	129	139	115	n.a.
June 1945	127	142	133	203
June 1947	133	146	223	251
June 1948	145	165	317	278
March 1949	154	184	359(d)	284
June 1949	157	186	316(d)	282(d)

(a) All items "c" Series, Sydney
(c) Commonwealth Bank Index

(b) Commonwealth Statistician
(d) Subject to revision

PART III: RURAL INDUSTRIES

The Season

Most sheep and wheat districts received only moderate winter rain. Pastures suffered from frosts and deficient rain but are still described as being in fair condition. The dry spell in the Northern and Western wheat districts was relieved by good falls at the end of August, but more rain is needed there and in the South to ensure a good harvest. A sudden flood on the Macleay River in the last week of August caused great damage to properties and heavy stock losses.

RAINFALL INDEX - NEW SOUTH WALES
Normal Rainfall - 100 for each month & year

	Sheep Districts					Wheat Districts				Coastal Dairying Districts			
	N.	C.	S.	W.	Total	N.	C.	S.	Total	N.	C.	S.	Total
1946 - Year	77	68	101	87	83	62	69	102	88	84	89	80	85
1947 - Year	126	131	119	145	127	118	130	124	125	118	109	96	113
1948 - Year	102	103	99	92	101	98	100	96	97	106	95	96	102
1949 - April	91	82	51	85	75	118	72	56	68	79	79	37	74
- May	45	98	129	165	101	41	91	120	103	82	68	138	85
- June	111	105	56	46	84	110	112	37	65	99	282	317	174
- July	63	62	104	62	76	51	65	111	92	85	143	61	97
- August	91	68	25	24	56	108	67	23	46	189	202	48	174

N. Northern; C. Central; S. Southern; W. Western

LIVESTOCK - New South Wales

Sheep in New South Wales increased by 7.3 million to 50.4 million between 1947 and 1949 and so regained part of the 14 million lost by drought between 1944 and 1947. For 20 years prior to 1945 sheep usually numbered over 50 million, the highest figures being 61.8 millions in 1891 and 56.8 millions in 1944. Lambs marked increased from 9.9 million in 1945-46 and 12.9 million in 1947-48 to 13.8 million in 1948-49 compared with over 14 million in earlier good seasons. The proportion of 72% lambs to ewes mated in 1948-49 was very high. Returns collected in April and May show indications to mate about 20.1 million ewes in 1949 that is 600,000 more than in 1948.

Cows and heifers in registered dairies increased in 1949 (from 965,000 to 971,000) for the first time in seven years but were still about 10% below pre-war. An increased number of calves in dairies points to further increases in herds. Milking cows other than in registered dairies rose from 118,000 in 1946 to 153,000 in 1949 (147,000 in 1939). Reflecting expansion of beef cattle raising beef cattle numbers increased from 1,712,000 in 1947 to 1,942,000 in 1949 and there was an increase of 8% in the calving forecast (beef cattle) for 1949. (Figures quoted here take no account of the set-back caused by floods in Northern rivers districts in June and August, 1949).

The stock position in the pig industry improved in 1948-49 and the total in March, 1949 of 375,000 was near the pre-war level. Horse numbers continued to fall; they were 531,000 in 1939 and 358,000 in 1949, including 216,000 and 149,000 draught horses respectively.

LIVESTOCK IN NEW SOUTH WALES
(in thousands)

At 31st March	Sheep	Cattle		Pigs	Horses
		Dairy Cows (a)	Other (b)		
1929 (30th June)	50,185	941	1,844	312	567
1939	48,877	1,069	1,743	377	531
1944	56,837	1,043	2,100	561	466
1946	44,076	1,021	2,096	433	404
1947	43,105	968	2,015	358	380
1948	46,065	965	2,165	365	376
1949	50,404	971	2,282	375	358

(a) Cows and heifers in registered dairies only.

(b) Beef cattle, calves and bulls in registered dairies, and cows not in registered dairies; details for 1949: 1,942,000, 163,000, 24,000 and 153,000 respectively.

WOOL

Receipts of wool in New South Wales stores in July, 1949 totalled 63,000 bales (61,000 in July, 1948); adding the heavy carry-over from the 1948-49 season (79,000 bales) and making allowance for small lots sold ex store during the month 137,000 bales were in store at the end of the month (72,000 bales at end of July,

1948). The 1949-50 selling season opened in Sydney on 29th August. Prices at the first sales were firm at closing level of last season and full clearances were effected.

RECEIVALS, DISPOSALS AND STOCKS OF WOOL
(N.S.W. Stores excl. Albury - Thousand Bales)

	1949		1948	
	Sydney	Newcastle & Goulburn	Total N.S.W.	Total N.S.W.
Carry-over from June	76	3	79	15
Receipts in July	51	12	63	61
Total	127	15	142	76
Disposals, July =	5	-	5	4
Balance in Store at end of July	122	15	137	72

= Sales and shipments ex store.

The 1948-49 New South Wales wool clip of 463.2 mill. lbs. (greasy weight) was about 9% heavier than in 1947-48, but it was still well below the pre-war average. 48 million sheep were shorn in 1948-49 and the average clip per sheep of 8.8 lbs. was comparatively high. The clip reached the record value of £90.3 mill., compared with £66.7 mill. in 1947-48 and a wartime appraisement average of £28.3 mill. (excluding J.O. profits as yet undistributed).

SHEEP SHORN AND WOOL PRODUCED, New South Wales

Average per Season	Sheep & Lambs Shorn	Average Clip per Sheep	Total Shorn Wool	Total Wool Produced (a)	
				Greasy Weight	Value at Sydney
	millions	lbs.	million lbs.	million lbs.	£ millions
1931-1935	53.7	8.2	438.6	488.1	20.7
1936-1940	54.4	8.2	445.2	490.9	27.3
1941-1945	56.7	8.2	463.9	513.5	28.3
1945-1946	45.4	8.5	386.7	431.5	27.2
1946-1947	43.1	8.9	383.7	432.6	42.5
1947-1948	43.7	8.7	382.1	422.3	66.7
1948-1949	48.1	8.8	422.6	463.2	90.3

(a) Includes dead wool, fullmorged wool and wool exported on skins.

W H E A T.

After the record wheat harvest of 1947-48 in New South Wales sowings for the new crop were delayed and the area under wheat in 1948-49 (4.24 mill.acres of which 4.04 mill.acres for grain) was considerably below the two previous seasons and also a little less than the pre-war average. The average yield in 1948-49 of 16 bus.per acre was comparatively high and the harvest of 64.7 mill.bushels compares well with the average of earlier years. Excepting extreme seasons wheat production has usually fluctuated between 48 mill. and 60 mill. bushels in recent years and that of 1948-49 has been exceeded only five times. Recent extremes were the yields of 15.6 mill. bus. in 1946-47 and 95.23 mill. bus. in 1947-48. The area intended to be sown for 1949-50 was stated to be 4.26 mill.acres (all purposes).

WHEAT - AREA, PRODUCTION AND EXPORTS, New South Wales.

Season	Area under Wheat (a)				Yield			Sea Exports (b)
	For Grain	For Hay	Fed-off	Total	Total	Grain Av. per acre	Hay Total	
	million acres				Mill. bush.	bushels	000 tons	Wheat & Flour from N.S.W. mill.bushels
1938-39	4.65	0.56	0.04	5.25	59.89	12.9	612	28.96
1939-40	4.38	0.26	0.04	4.68	76.55	17.5	373	36.60
1945-46	3.77	0.39	0.05	4.21	62.50	16.6	499	21.47
1946-47	4.47	0.26	0.04	4.77	15.6	3.5	145	7.7
1947-48	5.04	0.28	0.03	5.35	95.23	18.9	414	53.7
1948-49 (c)	4.04	0.16	0.04	4.24	64.70	16.0	187	25.24 (d)

(a) incl.area to be sown for green feed. (b) Wheat equivalent, calendar year after harvest. (c) Subject to revision. (d) Seven months ended July, 1949.

Advances made or approved on 1948-49 wheat to date amount to 7/- (6/6) a bushel less freight for bagged (bulk) wheat. Payments on the 1947-48 crop to date total 12/6 (12/-) a bus.less freight, and 1/- less for low-grade wheat. Exports of wheat from the 1948-49 crop to the United Kingdom prior to 1st August were paid at the rate of 13/8 a bus. bulk, f.o.b., up to 31/3/49 and 12/10¹d for the following four months (with an additional 4¹d to 1/- a bus. for shipments under the British contract to certain other countries). Under the International Wheat Agreement which came into force on 1st August, 1949 for a currency of four years Australia will export up to 80 mill.bus.a year at prices ranging from \$Can.1.50 to 1.80 bus.in the first year with a proposed reduction of 10 cents in the minimum in each of the following years. The Australian export price for wheat not sold under long-term contracts was 14/5d per bush. As from 20/9/49 the Australian-Canadian rate was changed from \$Can.3.21 per cwt to about \$Can.2.45.

bus.(bulk f.o.b.ports) in July,1949,- a drop of 615 since May 1948. American wheat prices have receded by about a third from the peak reached at the end of 1947. Canadian export wheat (see table below) rose from 62 cents per bus.in 1939 to 329 cents in December,1947 and was down to 204 cent in July,1949 (206 cents in August).

WHEAT EXPORT PRICE - Australia and Canada

	Year 1939	Year 1946	Dec.1947	April 1948	August 1948	July 1949.
A/an Wheat Board						
Basic Exp.Price	29	131	238	250	208	173
No.1 Nth.Manitoba						
basis Store Fort	62	135	329	271	242	204
William						

(1) Average bulk and bagged; f.o.r.ports; for 1939 shippers' limits f.o.r.ports.

MEAT PRODUCTION & EXPORTS - New South Wales.

The gradual recovery of the State's livestock industry from the 1944-47 drought period is reflected in an increase of fresh meat production (beef-,sheep- and pigmeats) from 277,900 tons in 1946-47 to 290,400 tons in 1947-48 and 307,000 in 1948-49. Production generally has about regained the pre-war level. Restocking requirements are still limiting cattle and sheep supplies. Production of beef - meats recovered from 139,900 tons in 1946-47 to 176,200 tons. The trend in recent years,has been to market an increasing proportion of sheepmeat as lamb and mutton production in 1948-49 was 21,500 tons less than pre-war while lamb production was greater by 23,700 tons. Dearer pig feed and the high price of pork have induced the marketing of pigs at lighter weights; production of pork rose from 6,400 tons to 8,100 tons between 1946-47 and 1948-49 while output of bacon and ham (cured weights) fell from 15,800 tons to 12,800 tons. Output of canned meats which reached a peak of 13,000 tons in 1943-44 is falling because of lesser export demand. It was 8,060 tons in 1947-48 and 6,610 tons in 1948-49.

MEAT PRODUCTION - New South Wales - in thousand tons

Year or	Beef & Veal	Mutton	Lamb	Pork,Bacon & Ham(a)	Total Fresh Meat	Canned Meat
Yearly Average	in Terms of Fresh Meat					Canned Weight
1936-37 to 38-39	181.1	74.0	29.8	25.6	310.5	2.09
1939-40 to 44-45	149.8	87.1	47.6	33.9	318.4	8.92
1946-47	139.9	68.6	41.5	27.9	277.9	8.00
1947-48	161.9	59.0	43.8	25.7	290.4	8.06
1948-49 (b)	176.2	52.5	53.5	25.4	307.6	6.61

(a) Cured weight of bacon & ham converted to fresh meat. (b) Subject to revision.

Only a small proportion of beef,mutton and pork produced in this State is exported overseas. Export of lamb in 1948-49,though higher than in the previous year was only 40% of the average exports in 1936-39. Canned meat exports which were stepped up in recent years for supplies to the United Kingdom and to post-war relief agencies fell by 2,520 tons (gross weight) in 1948-49. Considerable increases during the year were recorded for exports of poultry and rabbits to the United Kingdom. In 1947-48 1.07 mill. pairs of rabbits were shipped and in 1948-49 6.19 mill.pairs, compared with 200,000 to 600,000 a year during the previous ten years. Exports of frozen rabbits were even greater in 1932-33 and during and before World War 1.

MEAT EXPORTS FROM NEW SOUTH WALES

Year or Yearly Average	Preserved by Cold Process							Total incl. other meats
	Beef & Veal	Mutton	Lamb	Pork,Bacon & Ham (a)	Poultry (b)	Rabbits (b)	Canned Meat	
	Weight in thousand tons							
1936-37 to 38-39	7.36	8.67	17.11	1.77	0.03	0.29	1.49	-
1947-48	4.60	1.81	5.38	2.50	0.74	1.07	13.52	-
1948-49	3.33	3.08	6.86	3.00	1.01	6.19	11.00	-
	Value in thousand							
1936-37 to 38-39	281	318	1,058	60	23	26	112	2,047
1947-48	346	149	399	173	759	172	1,882	4,468
1948-49	291	190	629	1,251	1,212	1,120	1,424	5,792

(a) weight of bacon & ham converted to pork equivalent (b) million pairs.